1	QUINN EMANUEL URQUHART & SULLIVA Sean Pak (Bar No. 219032)	AN, LLP
2	seanpak@quinnemanuel.com	
3	Melissa Baily (Bar No. 237649) melissabaily@quinnemanuel.com	
	James Judah (Bar No. 257112)	
4	jamesjudah@quinnemanuel.com Lindsay Cooper (Bar No. 287125)	
5	lindsaycooper@quinnemanuel.com Iman Lordgooei (Bar No. 251320)	
6	imanlordgooei@quinnemanuel.com	
7	50 California Street, 22nd Floor San Francisco, California 94111-4788	
8	Telephone: (415) 875-6600 Facsimile: (415) 875-6700	
9	Marc Kaplan (pro hac vice) marckaplan@quinnemanuel.com	
10	191 N. Wacker Drive, Ste 2700	
11	Chicago, Illinois 60606 Telephone: (312) 705-7400	
12	Facsimile: (312) 705-7401	
13	Attorneys for GOOGLE LLC	
14		
	UNITED STATES	S DISTRICT COURT
15	NORTHERN DISTR	LICT OF CALIFORNIA
16	SAN FRANCI	ISCO DIVISION
17		
18	SONOS, INC.,	Case No. 3:20-cv-06754-WHA Related to Case No. 3:21-cv-07559-WHA
19	Plaintiff,	GOOGLE LLC'S MEMORANDUM IN
	VS.	SUPPORT OF ITS PROPOSED
20	GOOGLE LLC,	DISPUTED JURY INSTRUCTIONS
21		Date: May 3, 2023
22	Defendant.	Time: 12:00 p.m. Location: Courtroom 12, 9th Floor
23		Judge: Hon. William Alsup
24		
25		
26		
27		
28		
I		

Case No. 3:20-cv-06754-WHA

1	TABLE OF CONTENTS		
2	I.	DISPUTED INSTRUCTION NOS. 2 AND 6: SUMMARY OF CONTENTIONS 1	
3	II.	DISPUTED INSTRUCTION NO. 4: OUTLINE OF TRIAL	
4	III.	DISPUTED INSTRUCTION NOS. 8 AND 9: INFRINGEMENT—BURDEN OF PROOF	
5	AND	DIRECT INFRINGEMENT	
6	IV.	DISPUTED INSTRUCTION NO. 10: LITERAL INFRINGEMENT	
7	V.	DISPUTED INSTRUCTION NO. 11: INDUCING PATENT INFRINGEMENT 6	
8	VI.	DISPUTED INSTRUCTION NO. 12: CONTRIBUTORY INFRINGEMENT 8	
9	VII.	DISPUTED INSTRUCTION NO. 13: WILLFUL INFRINGEMENT	
0	VIII.	DISPUTED INSTRUCTION NO. 14: INVALIDITY—BURDEN OF PROOF	
1	IX.	DISPUTED INSTRUCTION NO. 15: INVALIDITY—PERSPECTIVE OF ONE OF	
2	ORDI	NARY SKILL IN THE ART	
3	X.	DISPUTED INSTRUCTION NO. 16: INVALIDITY—PRIOR ART 12	
4	XI.	DISPUTED INSTRUCTION NO. 17: INVALIDITY—STATUTORY BAR	
5	XII.	DISPUTED INSTRUCTION NO. 18: INVALIDITY—ANTICIPATION 14	
6	XIII.	DISPUTED INSTRUCTION NO. 19: INVALIDITY—OBVIOUSNESS	
8	XIV.	DISPUTED INSTRUCTION NO. 20: INVALIDITY—DERIVATION	
9	XV.	DISPUTED INSTRUCTION NO. 21: DAMAGES—BURDEN OF PROOF 16	
20	XVI.	DISPUTED INSTRUCTION NO. 23: REASONABLE ROYALTY—DEFINITION 17	
21	XVII.	DISPUTED INSTRUCTION NO. 24: DAMAGES—DOUBTS RESOLVED AGAINST	
22	INFR	INGER	
23			
24			
25			
26			
27			
28			
- 1	1		

I. <u>DISPUTED INSTRUCTION NOS. 2 AND 6: SUMMARY OF CONTENTIONS</u>

With respect to the summary of contentions for both the preliminary and final jury instructions, there are five disputed issues.

First, the parties dispute the extent to which previously asserted patent infringement claims should be incorporated into the preliminary and final summary of contentions instructions. While Sonos's proposed instruction only discusses the Court's finding of infringement of the '885 patent, Google's proposed instruction informs the jury of the disposition of all patent claims that were asserted in Sonos' draft complaint and Google's declaratory judgment complaint. As explained in Google's opposition to Sonos' Motion in Limine No. 4, and incorporated herein by reference, this this information is highly relevant to Sonos's willful infringement allegation, which is based on Sonos' service of the draft complaint and Google's DJ complaint (as well as a "willful blindness" theory based entirely on patents other than the '966 patent, including the '206 patent and '615 patent referenced in Google's proposed instruction). Moreover, Google would be unfairly prejudiced if the jury instructions tell the jury that the Court had previously ruled that Google had infringed one of Sonos' patents, without also telling them that it had also previously ruled that two of Sonos' patents are invalid and/or not infringed.

Jury instructions often reference previously asserted claims when they are relevant to remaining claims. See, e.g., Skyline Steel, L.L.C. v. Pilepro, L.L.C., No. 1:13-cv-08171-JMF, Dkt. 655 at 14-15 (S.D.N.Y. Oct. 10, 2018) ("I have already determined, as a matter of law, that the HZM system does not infringe PilePro's patent."); Uniloc USA, Inc. v. Microsoft Corp., No. 1:03-cv-00440-WY-DLM, Dkt. 390 at 144:11-145:2 (D.R.I. June, 9, 2009) ("Microsoft was awarded summary judgment of non-infringement wherein I determined as a matter of law that no aspect of Product Activation infringed any claim of the '216 patent even though that decision was later partially overturned by the Court of Appeals."); Applera Corp. v. Illumina, Inc., No. 3:07-cv-02845-WHA, Dkt. 386 at 6 (N.D. Cal. Jan. 23, 2009) ("To simplify matters for your consideration, the case has been reduced to one patent, the '119 patent. The '341 and '597 patents have been withdrawn from your consideration.") (Alsup, J.).

Courts also routinely find dismissed or dropped claims indicative of non-willful infringement. See, e.g., Greatbatch Ltd. v. AVX Corporation, No. CV 13-723-LPS, 2015 WL 9171042, *4 (D. Del. Sept. 11, 2015) (evidence supporting non-willfulness included the fact that "prior art identified [by defendant] was later used during inter partes review proceedings to invalidate multiple claims of the '627 patent") (Stark, J.); Move, Inc. v. Real Estate Alliance Ltd., 221 F. Supp. 3d 1149, 1173 (C.D. Cal. Dec. 1, 2016) (granting summary judgment of no willfulness because alleged infringer "had several reasonable arguments as to why its conduct was noninfringing"); Dorman Products, Inc. v. Paccar, Inc., 201 F. Supp. 3d 663, 680 (finding evidence of reasonable non-infringement and invalidity defenses relevant to willfulness); Carnegie Mellon Univ. v. Marvell Tech. Grp., Ltd., No. CIV.A. 09-290, 2012 WL 5463669, at *1 (W.D. Pa. Nov. 7, 2012) ("the Court agrees with Marvell that evidence of dropped or changed claims or products shows the reasonableness of its infringement 'defenses'"); Samsung Elecs. Co. v. Quanta Computer, Inc., No. C-00-4524 VRW, 2006 WL 2850028, at *2 (N.D. Cal. Oct. 4, 2006) (denying motion in limine to preclude alleged infringer "from referencing the five patent infringement claims previously asserted by [patent owner] in this action that were voluntarily dismissed by stipulation of the parties" because "the withdrawn patents may be relevant to Samsung's claim for willfulness").

Further, disclosing the Court's finding of infringement of the '885 patent to the jury without the context of the other claims Sonos previously asserted in this case creates a risk that the jury will perceive Google as a bad actor without regard for patent rights. In addition, telling the jury that the Court found infringement creates a risk that the jury will assume that the Court bestowed its imprimatur on the '885 patent and thus perceive the '885 patent as valid. Informing the jury that the Court has found certain Sonos patents invalid and/or uninfringed by Google would significantly minimize these risks.

Second, the parties disagree whether the introductory invalidity instructions should include the Northern District of California Model Patent Jury Instruction ("N.D. Cal. Model Instructions") providing that "[i]nvalidity is a defense to infringement." Sonos contends that the model instruction is "confusing," whereas Google maintains that the instruction is necessary to avoid juror confusion

27

21

23

24

25

- particularly given that infringement of a claim has already been found, and the jury will need to decide whether invalidity precludes a verdict in Sonos's favor.

Third, Sonos opposes Google's proposed instruction of "[i]n general, however, a patent is invalid if it is not new or is obvious in view of the state of the art at the relevant time, or if the description in the patent does not meet certain requirements." Although Google does not plan to argue that the '885 and '966 patents lack adequate written description, jurors need to understand that patents can be invalid for multiple reasons to dispel the misconception that a patent is always valid because it is granted by the government.

Fourth, Google proposes that the jury be instructed that the Court has already found that any infringement of claim 1 of the '885 patent by Google was not willful. This is an appropriate instruction to avoid juror confusion, particularly since the Court will be instructing the jury that it has already found that prior versions of Google's products infringe the '885 patent. Sonos' proposal, to keep the jury in the dark on that issue by telling them only that "I am not asking you to decide whether Google's infringement of claim 1 of the '885 patent was willful," would almost certainly lead jurors to assume that the reason they didn't need to decide was that the Court had already found that the infringement was willful. That is presumably why Sonos is proposing it. Further, contrary to Sonos' arguments, the Court's ruling that Sonos' willfulness allegations for the '885 patent fail as a matter of law is relevant to the issue of whether Google had a specific intent to infringe the '966 patent at the time of the challenged conduct. The two patents share a specification and the software instructions in both accomplish substantially the same functions (with the ''885 patent drafted from the perspective of the speaker, and the '966 patent drafted from the perspective of the controller device such as a smartphone).

Fifth, Sonos and Google globally disagree whether Google's redesigned products should be referred to as the "new version" or "newer version" (Sonos's position) or "redesigned products" (Google's position). It is Google's position that the redesigned products should be identified as what they are (redesigned products) to ensure that the jury differentiates the products that were previously held to infringe and those that operate in the new and non-infringing manner.

II. <u>DISPUTED INSTRUCTION NO. 4: OUTLINE OF TRIAL</u>

The parties' proposed instructions are nearly in agreement except for the paragraph describing Sonos's presentation of its case-in-chief.

First, Sonos's proposal states it will present evidence "that the '885 patent is infringed by the newer version of the '885 Accused Products," whereas Google's proposal states that Sonos will present evidence on Sonos's contentions that "the '885 patent is infringed by the redesigned '885 Accused Products." Google's proposal also clarifies Sonos's contention at trial "that the '966 patent has been and continues to be infringed by the '966 Accused Products." Google's proposal is therefore more precise because it makes clear that the infringement dispute for the '885 patent involves only the redesigned products, whereas each of the accused products are in dispute with respect to alleged infringement of the '966 patent.

Second, Sonos insists on stating that it will present the amount of damages it is entitled to for Google's "infringement" of the '885 patent, rather Google's "alleged infringement of the '885 and '966 patents" as Google proposes. However, the jury may find that the redesigned products do not infringe the '885 patent, such that "alleged" infringement is more accurate. Sonos suggests that the jury "may not be asked to determine any infringement question with respect to the '885 patent, depending on the Court's rulings on the parties' 50(a) motions," but this argument is pure speculation. That the Court may determine whether Google's redesign infringes the asserted patents down the line does not warrant an instruction that assumes the Court will find in Sonos's favor on the issue. The Court could similarly find that the redesigned products could not infringe as a matter of law, which would moot a portion of Sonos's damages claims, or that the asserted patents are invalid, mooting all of Sonos's damages claims. None of these speculative instructions are appropriate for the jury.

III. <u>DISPUTED INSTRUCTION NOS. 8 AND 9: INFRINGEMENT—BURDEN OF PROOF AND DIRECT INFRINGEMENT</u>

The parties dispute here the same global issue regarding whether Google's redesign should be referred to as "redesigned products" (Google's proposal) or "newer" products (Sonos' proposal). See supra § I.

IV. <u>DISPUTED INSTRUCTION NO. 10: LITERAL INFRINGEMENT</u>

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

As an initial matter, Sonos's proposed instruction adds "reasonably capable" language that departs from this District's Model Instructions, as well as many other model patent jury instructions. See, e.g., AIPLA Model Instructions, 3.2 (literal infringement instruction not including any language referring to reasonable capability of infringing); Federal Circuit Bar Association Model Instructions, B.3.1a (same). The model instructions do not include such language for good reason. It risks confusing the jury and misleading them into finding infringement even where an accused product does not literally contain every single claim limitation, because the jury may believe that an accused product is nevertheless "reasonably capable" of including a missing limitation. This is a concrete concern and risk here, where Sonos intends to argue to the jury that devices and systems that do not include each and every element of the claims—for example, those that do not include three "Zone Players" and those that do not include at least one "network device"—still infringe the asserted claims because they are "reasonably capable" of being used in an infringing system. But that is not the law. Sonos must prove that each and every element is met by the accused system. Indeed, even in the context of claims "directed to capability," the Federal Circuit has made clear that the patentee is still required to prove infringement in the ordinary manner, which involves 'compar[ing] the claims to the accused products." INVT SPE LLC v. Int'l Trade Comm'n, 46 F.4th 1361, 1380 (Fed. Cir. 2022). "Reasonable capability" does not change that fundamental principle, and Sonos's additional instruction on this issue would confuse the jury to believe the contrary. *Id.*; see also Ottah v. Bracewell LLP, No. 2022-1876, 2022 WL 16754378, at *2 (Fed. Cir. Nov. 8, 2022) ("A finding of literal patent infringement 'requires that each and every limitation set forth in a claim appear in an accused product.").

Moreover, while Sonos's proposed instruction suggests that an accused product can infringe any claim "if it is reasonably capable of satisfying the claim elements," the "Federal Circuit has stated that the reasonably capable case law is relevant only to claim language that specifies that the claim is drawn to capability." *Plantronics, Inc. v. Aliph, Inc.*, No. C 09-01714 WHA, 2014 WL 789115, at *3 (N.D. Cal. Feb. 26, 2014) (internal marks and citation omitted); *see also INVT SPE LLC v. Int'l Trade Comm'n*, 46 F.4th 1361, 1371 (Fed. Cir. 2022) ("Our cases have held that

sometimes a device only needs to be "capable of operating" according to a claimed limitation, for a finding of infringement. Other times, a device does not infringe unless it actually operates as claimed. Whether infringement requires actual performance of the recited functions by the accused device depends on the claim language.") (internal marks and citation omitted); *Ball Aerosol & Specialty Container, Inc. v. Ltd. Brands, Inc.*, 555 F.3d 984, 994 (Fed. Cir. 2009). Sonos's proposed instruction thus improperly misleads the jury to believe that an accused product can infringe any claim "if it is reasonably capable of satisfying the claim elements" even if the claim is not drawn to capability.

Sonos's proposed instruction also misrepresents the standard for establishing reasonable capability. Sonos contends that "one who makes a system or product with that capability is a direct infringer even though they do not use that capability." But the Federal Circuit has "never suggested that reasonable capability can be established without any evidence or undisputed knowledge of an instance that the accused product performs the claimed function when placed in operation." *INVT SPE LLC*, 46 F.4th at 1375. In fact, the Federal Circuit has explicitly required "proof that an accused product—when put into operation—in fact executes all of the claimed functions at least some of the time or at least once in the claim-required environment." *Id.* at 1377. Accordingly, the Court should reject Sonos's proposed "reasonably capable" language as misleading and improper.

V. <u>DISPUTED INSTRUCTION NO. 11: INDUCING PATENT INFRINGEMENT</u>

The parties dispute two aspects of the instruction on inducing patent infringement.

First, Sonos's insistence on including a "willful blindness" instruction is improper. "[W]illful blindness can satisfy the knowledge requirement for active inducement under § 271(b) (and for contributory infringement under § 271(c)), even in the absence of actual knowledge." Warsaw Orthopedic, Inc. v. NuVasive, Inc., 824 F.3d 1344, 1347 (Fed. Cir. 2016). But Sonos has failed to offer any evidence that could support such a willful blindness theory. In its summary judgment opposition brief, Sonos merely asserted in a conclusory manner that "Google was, at a minimum, willfully blind" without actually proffering any evidence in support thereof. See Dkt. 508 at 24; Largan Precision Co, Ltd v. Genius Elec. Optical Co., 86 F. Supp. 3d 1105, 1120 (N.D. Cal. 2015), aff'd sub nom. Largan Precision Co. v. Genius Elec. Optical Co., 646 F. App'x 946

(Fed. Cir. 2016) (rejecting willful blindness argument because it "requires not just a failure to ask whether any sales infringed, but an affirmative act to remain ignorant of infringing sales").

To the extent Sonos's "willful blindness" theory is based on the draft complaint it sent to Google on September 29, 2020, Sonos admittedly has not developed "a more complete record" as the Court's order previously required. *See* Dkt. 538 at 13-14. To the extent Sonos's "willful blindness" theory is based on the parties' licensing negotiations, those negotiations took place prior to the issuance of the asserted patents. Moreover, the Court already determined at the pleading stage that those discussions, which did not involve the '966 or '885 patents, were "insufficient" to demonstrate knowledge of the patent. *Sonos, Inc. v. Google LLC*, 591 F. Supp. 3d 638, 647 (N.D. Cal. 2022) ("The operative complaint references various correspondence Sonos sent to Google in October 2016, February 2019, and January 2020 regarding Sonos's patents []. But for all of that documentation, Sonos acknowledges "this correspondence did not specifically identify the '033, '966, and '855 Patents [sic]."). Therefore, this additional paragraph in Sonos's instruction is irrelevant, would mislead and confuse the jury, and cause unfair prejudice.

Second, the following language from Sonos's proposed instruction should be omitted because it is misleading and contrary to the N.D. Cal. Model Instruction: "by inducing other people to install the Google Home App, YouTube Music app, and Google Play Music app, on their Internet-connected computing devices." But Sonos has not accused the YouTube Music or Google Play Music apps of infringing either of the patents-in-suit. Ex. 3 (Sonos's Infringement Contentions). Further, neither the Google Play Music app (which is now discontinued) nor the YouTube Music app allow users to create speaker groups, and therefore neither can infringe any asserted claims either directly or indirectly. Sonos claims this is a "neutral explanation of its inducement allegation[.]" Sonos's instruction is not neutral because it does not even accurately represent Sonos's positions in this litigation. Its own experts have opined that the only application that can create speaker groups is the Google Home App. Instead, Sonos's proposal is misleading, inconsistent with the model rule, and technically and factually inaccurate. Google has moved in limine to exclude evidence or argument regarding unaccused product revenues. See Google's Motion in Lmine No. 4. YouTube Music is one of those unaccused products (now that the '033

advertising and subscription revenue associated with it) is relevant to the issue of damages for the '885 or '966 patents. It is not.

VI. <u>DISPUTED INSTRUCTION NO. 12: CONTRIBUTORY INFRINGEMENT</u>

The parties dispute the same two aspects at issue for the instruction on inducing patent infringement as they do for the instruction on contributory infringement. To the extent any instruction is given on contributory infringement, Google's proposed instruction should be used for the same reasons discussed above. *See supra* § V.

patent has been found invalid) and Google incorporates that MIL by reference. Presumably Sonos

has proposed this language in attempts to create the impression that YouTube Music (and

VII. <u>DISPUTED INSTRUCTION NO. 13: WILLFUL INFRINGEMENT</u>

Although both parties base their proposed willful infringement instructions on N.D. Cal. Model Instruction No. B.3.8, the Court should reject Sonos's additional and prejudicial language.

First, the parties dispute how this instruction should characterize the Court's previous ruling that Google did not willfully infringe the '885 patent. Google proposes "I have already found that any infringement of claim 1 of the '885 patent by Google was not willful," whereas Sonos proposes "I am not asking you to decide whether Google's infringement of claim of the '885 patent was willful." Sonos's language is a plain attempt to mislead the jury into assuming that the Court already determined willfulness with respect to the '885 patent. Sonos wants to prevent the jury from hearing that the Court has already found that Google was not willful, yet in other instructions Sonos insists on telling the jury that the Court has "already determined that certain versions of Google's accused media players infringe the '885 patent." Sonos's Proposed Disputed Instruction No. 2 (Summary of Contentions). Sonos cannot have it both ways. This is a transparent attempt to improperly emphasize the Court's favorable rulings for Sonos while attempting to shield the jury from ones that are unfavorable to Sonos. See Fluidigm, No. 3:19-cv-05639, Dkt. 145 at 1 (N.D. Cal. Oct. 14, 2020) (Alsup, J.) ("[W]hat is sauce for the goose is normally sauce for the gander.").

Second, Sonos proposes the following additional language regarding willful blindness: "Knowledge of a fact may be inferred where a defendant intentionally blinds itself to that fact, because a person who knows enough to do so effectively has knowledge of that fact." As an initial

blindness theory. See supra § V. Moreover, Sonos's proposed language is extremely confusing, does not appear to be based on any model jury instruction, and is seemingly of Sonos's own fabrication – nor do any of the cases that Sonos apparently cites for this concocted language support such an addition. Google maintains that no instruction on "willful blindness" is necessary or appropriate, but if the Court disagrees, the instruction regarding willful blindness should be based on the "two basic requirements" as articulated by the Supreme Court in Glob.-Tech Appliances, Inc. v. SEB S.A., 563 U.S. 754, 766, 769 (2011): (1) the defendant must subjectively believe that there is a high probability that a fact exists and (2) the defendant must take deliberate actions to avoid learning of that fact. Indeed, Sonos's own proposed instructions for its indirect infringement instructions are based on this same standard. See Sonos's Proposed Instruction Nos. 11 (Contributory Infringement) and 12 (Inducing Infringement).

matter, as discussed previously, Sonos has not offered any evidence that could support a willful

Third, Google's proposal includes all five factors that a jury may consider when determining willfulness from the Federal Circuit Bar Association Model Instructions, whereas Sonos's proposal only includes four. Given that Google has offered evidence regarding whether it "intentionally copied a product of Sonos that is covered by the Asserted Patents" (it did not – Google implemented the accused functionality in 2015, years before Sonos first implemented the claimed invention in 2020), this factor is relevant and should be included in the instruction on willfulness. Sonos argues that it should be excluded because the parties have stipulated that neither party will reference or argue any alleged copying of its technology by the other party, but that only confirms that this factor is undisputed and favorable to Google. The fact that Google undisputedly did **not** copy Sonos (and indeed could not, as Google implemented the accused functionality in 2015, years before Sonos added "Zone Scenes" functionality to its own products in 2020)is a factor that the jury should be permitted to consider, consistent with the model instructions.

Fourth, Google's proposal does not include the instruction that willful infringement may be found it Google "recklessly disregarded Sonos's patent rights," which is not part of the Federal Circuit Bar Association's Model Instruction B.3.10, upon which the parties' proposals are based.

VIII. <u>DISPUTED INSTRUCTION NO. 14: INVALIDITY—BURDEN OF PROOF</u>

Sonos and Google both offer proposed instructions on the burden of proving invalidity. Sonos's proposed instruction is purportedly based on Federal Circuit Bar Association Model Instruction B.4.1, whereas Google's proposed instruction is taken from N.D. Cal. Model Instruction B.4.1a. As an initial matter, Sonos does not justify its decision to cherry-pick a different model instruction.

But Sonos fails to even follow the Federal Circuit Bar Association Model Instruction and identify each individual claim of each asserted patent that the jury should consider for invalidity. Instead, Sonos's proposed instruction attempts to lump "any claim of the Asserted Patents" together. *See* Federal Circuit Bar Association Model Instruction B.4 – Validity ("I will now instruct you on the rules you must follow in deciding whether or not [alleged infringer] has proven that claims [] of the [] patent are invalid.").

Sonos also fails to offer any explanation to the jury about the presumption of validity and about prior art references that were not before the Patent Office, which is included in the model instruction for fairness and balance. Google's proposed instruction is also balanced as it explains to the jury that "[t]he issuance of a patent by the Patent Office provides a presumption that the patent is valid." This follows directly from 35 U.S.C. § 282, which states "[a] patent shall be presumed valid."

Google's proposed instruction includes language explaining to the jury that sometimes the United States Patent Office does not always consider all the prior art submitted by the alleged infringer during the case ("during the course of this trial, Google has presented you with several prior art references" ... "[b]ut the Patent Office sometimes issues invalid, patent claims, and issued claims can be found invalid in court") and that the jury, therefore, has the ultimate responsibility for determining validity ("[i]n this case, you have the ultimate responsibility for deciding whether the claims of the patent are valid or invalid. In making your determination, you must consider the claims individually, as you did when you considered whether each claim was infringed."). This language follows N.D. Cal. Model Instruction B.4.1a, which states:

[During this case, the [alleged infringer] has submitted prior art that was not

considered by the United States Patent and Trademark Office (PTO) during the prosecution of the [] patent. The [alleged infringer] contends that such prior art invalidates certain claims of the [] patent. In deciding the issue of invalidity, you may take into account the fact that the prior art was not considered by the PTO when it issued the [] patent. Prior art that differs from the prior art considered by the PTO may carry more weight than the prior art that was considered and may make the [alleged infringer's] burden of showing that it is highly probable that a patent claim is invalid easier to sustain.

Id. Google's instruction follows the N.D. Cal. Model Instruction on this point:

The fact that any particular reference was or was not considered by the Patent Office does not change Google's burden of proof. However, in making your decision whether Google has demonstrated that a claim is invalid by clear and convincing evidence, you may consider whether Google has presented any materially new prior art references that the Patent Office had no opportunity to evaluate. Prior art that differs from the prior art considered by the PTO may carry more weight than the prior art that was considered, and Google's burden may be easier to meet if all material facts were not before the Patent Office when it issued a patent.

Google's proposed instruction also provides the burden of proof required for invalidity: "If clear and convincing evidence demonstrates that a claim of the patent fails to meet any requirement of the patent laws, then that claim is invalid." This portion of Google's proposed instruction is supported by the Supreme Court's decision in *Microsoft v. i4i*, which held that "the jury may be instructed to evaluate whether the evidence before it is materially new, and if so, to consider that fact when determining whether an invalidity defense has been proved by clear and convincing evidence." 564 U.S. 91, 111 (2011); *Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375 (Fed. Cir. 1986) ("Notwithstanding that the introduction of prior art not before the examiner may facilitate the challenger's meeting the burden of proof on invalidity, the presumption remains intact and on the challenger throughout the litigation, and the clear and convincing standard does not change.").

Google's proposed instruction further provides guidance to the jury regarding the scope of the relevant prior art:

In general, prior art includes patents, publications, or items that were publicly used, offered for sale, or publicly known, that disclosed the alleged invention or elements of the alleged invention. To be prior art, the item or reference must have been on sale, used, published, patented, or otherwise made available to the public before the filing date of the patent.

This definition is consistent with pre-AIA 35 U.S.C. § 102(a) and (b), which state "(a) the invention was known or used by others in this country, or patented or described in a printed

publication in this or a foreign country, before the invention thereof by the applicant for patent; and "(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States."

All of Google's additions are well-supported by the law and helpful to the jury. Specifically, while the presumption of validity should be addressed, it is equally necessary to include the law on references that were not before the Patent Office for balance.

IX. <u>DISPUTED INSTRUCTION NO. 15: INVALIDITY—PERSPECTIVE OF ONE OF ORDINARY SKILL IN THE ART</u>

Sonos's proposed instruction fails to account for the parties' dispute over the priority date for the '885 and '966 patents. With respect to the '885 and the '966 patents, Sonos contends that it conceived of the alleged invention on December 21, 2005 while Google contends that Sonos is not entitled to an invention date before September 12, 2006, which is the earliest effective filing date. Sonos bears the burden of showing that it is entitled to an earlier priority date—in this case, its claimed conception date—and it cannot meet its burden of proof by inserting its preferred facts into a jury instruction. *Allergan, Inc. v. Apotex Inc.*, 754 F.3d 952, 967 (Fed. Cir. 2014) ("[T]he patentee nevertheless must meet its burden of production to demonstrate an earlier conception date."). Unless and until Sonos proves it is entitled to a December 21, 2005 conception date, the instruction should identify the September 12, 2006 effective filing date.

X. <u>DISPUTED INSTRUCTION NO. 16: INVALIDITY—PRIOR ART</u>

While both parties' proposed instructions are based on the Federal Circuit Bar Association Model Instruction, they dispute whether Instruction B.4.3a-1 (Prior Art (If Not in Dispute)) should be included. Since prior art is an unfamiliar concept to many jurors, Google contends that Instruction B.4.3a-1 is necessary to orient jurors to the definition, purpose, and function of prior art. Instruction B.4.3a-1 is consistent with instructions previously given by this Court. *See Conceptus, Inc. v. Hologic, Inc.*, No. 3:09-cv-02280-WHA, Dkt. 475 at 12 (N.D. Cal. Oct. 14, 2011) ("Patents are supposed to be limited to new revelations, among other requirements. A patent claim is invalid if the claimed invention was not new at the time of the patent application, which was September 24,

1997, for purposes of anticipation and obviousness. For a claim to be invalid because it is not new,

all of its elements must have already existed in a single procedure before the claimed invention or

must have been described in a previous publication or patent before the claimed invention. In patent

law, previous publications or patents are called 'prior art' or 'prior-art references.'"); Applera Corp.

v. Illumina, Inc., No. 3:07-cv-02845-WHA, Dkt. 386 at 9 (N.D. Cal. Jan. 23, 2009) ("Patents are

supposed to be limited to new revelations, among other requirements. A patent claim is invalid if

the claimed invention was not new at the time of the patent application. For a claim to be invalid

on this ground, it must be shown that all of its elements were described in a single publication or

patent before the claimed invention. In patent law, previous publications or patents are called 'prior

art' or 'prior-art references.'").

XI. <u>DISPUTED INSTRUCTION NO. 17: INVALIDITY—STATUTORY BAR</u>

Sonos failed to offer a proposed instruction on the statutory bar for invalidity. Google's proposed instruction is based on N.D. Cal. Model Instruction B.4.3a2 and should be included in the jury instructions. The addition of this instruction is helpful to the jury in understanding a specific category of prior art. Specifically, while prior art is addressed in Instruction No. 15, it is equally necessary to include the law on references that were dated more than one year before the patent application was filed because these references indicate the patentee lost the right to patent the claims of the '885 and '966 patents. Such an instruction is supported by pre-AIA 35 U.S.C. § 102(b) which indicates that a person shall be entitled to a patent unless "the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States."

Such an instruction is also supported by *Invitrogen Corp. v. Biocrest Mfg., L.P.*, 424 F.3d 1374, 1379 (Fed. Cir. 2005) ("A bar under § 102(b) arises where, before the critical date, the invention is in public use and ready for patenting."). This instruction further explains that the disclosure in a reference does not have to be in the same words as the claim, but all the requirements must be there, either described in enough detail or necessarily implied, to enable someone of ordinary skill in the field. This is supported for example by *Helifix, Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1347 (Fed. Cir. 2000) (explaining that "[t]he '93 brochure does not expressly disclose in

words elements (8)-(10) of claim 1 of the '801 patent. The brochure might nevertheless be anticipating if a person of ordinary skill in the art would understand the brochure as disclosing elements (8)-(10) and if such a person could have combined the brochure's description of the invention with his own knowledge to make the claimed invention.")

Google proposed only two minor modifications to N.D. Cal. Model Instruction B.4.3a2. The first proposed modification is to refer to the "alleged" invention rather than the "claimed" invention, because Google disputes that there is any invention in the asserted claims and "claimed" is likely to create confusion for the jury. The second proposed modification is to delete the portion of the model instruction referring to "patents on the claimed invention in a foreign country" because Sonos had not obtained any patents on the claimed invention in a foreign country before filing the original U.S. application. This modification simplifies the issues and will accordingly be helpful to the jury.

XII. <u>DISPUTED INSTRUCTION NO. 18: INVALIDITY—ANTICIPATION</u>

Sonos's proposed instruction regarding anticipation is based on Federal Circuit Bar Association Model Instruction B.4.3b-1, but Sonos has proposed deleting the following paragraph from the model instructions:

Where [Google] is relying on prior art that was not considered by the PTO during examination, you may consider whether that prior art is significantly different and more relevant than the prior art that the PTO did consider. If you decide it is different and more relevant, you may weigh that prior art more heavily when considering whether the challenger has carried its clear-and-convincing burden of proving invalidity.

Sonos has not offered any reason to deviate from the model instructions, nor has it offered any evidence that Google is only relying on prior art considered by the PTO during examination. For the reasons discussed in Section VIII, it is necessary to include the law on references that were not before the Patent Office. Therefore, inclusion of this paragraph is warranted and relevant, and its deletion would mislead and confuse the jury.

XIII. <u>DISPUTED INSTRUCTION NO. 19: INVALIDITY—OBVIOUSNESS</u>

Sonos's proposed obviousness instruction improperly deviates from the N.D. Cal. Model Instruction by adding a paragraph on enablement. The modification removes the balance from that instruction, but more importantly it is directly contrary to existing law. As a matter of settled law,

"there is no absolute requirement for a relied-upon reference to be self-enabling in the § 103 context,

1374, 1376-77 (Fed. Cir. 2021). Thus, "[a] non-enabling reference may qualify as prior art for the

1991)); see also I/P Engine, Inc. v. AOL Inc., 576 F. App'x 982, 988-89 (Fed. Cir. 2014) ("a

obviousness"). Sonos's instruction, which requires that every obviousness reference must be

1 2 so long as the overall evidence of what was known at the time of invention establishes that a skilled 3 artisan could have made and used the claimed invention." Raytheon Techs. Corp. v. GE, 993 F.3d 4 5 purpose of determining obviousness." ABT Sys., LLC v. Emerson Elec. Co., 797 F.3d 1350, 1360 n.2 (Fed. Cir. 2015) (quoting Symbol Tech., Inc. v. Opticon, Inc., 935 F.2d 1569, 1578 (Fed. Cir. 6 7 8 nonenabling reference can potentially qualify as prior art for the purpose of determining 9 10

11

13

14

15

16

17

18

19

20

21

23

24

25

26

27

28

"enabled," is contrary to the law.

Although different than the N.D. Cal. Model Instruction, Google proposes that the instruction use the phrase "alleged invention" instead of "claimed invention" to minimize juror confusion. While the term "claim" is a cornerstone of a patent attorney's vocabulary, it is a term of art for many jurors with little exposure to the patent system. Using a non-term of art such as

XIV. <u>DISPUTED INSTRUCTION NO. 20: INVALIDITY—DERIVATION</u>

"alleged" still conveys the concept but avoids any potential confusion.

Although the N.D. Cal. Model Instructions do not contain a model instruction for derivation, Google's proposed derivation instruction is based on the Final Jury Instructions in *Intellectual* Ventures LLC v. Canon Inc., No. 1:11-cv-00792-SLR, Dkt. 289 at 29 (D. Del. May 2, 2014). Google's proposed instruction also accurately reflects the law and is consistent with 35 U.S.C. § 102(f) (pre-AIA), which specifies that a patent is invalid if the inventor "did not himself invent the subject matter to be patented" and "requires a showing of both (1) prior conception of the invention by another and (2) communication of that conception to the patentee that is sufficient to enable [him] to construct and successfully operate the invention." Int'l Rectifier Corp. v. IXYS Corp., 361 F.3d 1363, 1376 (Fed. Cir. 2004) (cleaned up). Google's proposed derivation instruction also explains Google's contention that the asserted claims of the '885 and '966 patents are invalid because the named inventors of those patents did not invent the subject matter of those claims, but rather derived it from Sonos's users' suggestions on the Sonos Forums website. See, e.g., Ex. 1 (11.30.2022)

Schonfeld Op. Rep.) at 93-130. This contention was properly disclosed in Dr. Schonfeld's November 30, 2022 opening expert report, *id.*, as well as early in this case through Google's invalidity contentions.

XV. <u>DISPUTED INSTRUCTION NO. 21: DAMAGES—BURDEN OF PROOF</u>

The parties are nearly in agreement on this instruction, with the exception of the phrasing regarding the Court's previous summary judgment ruling regarding Claim 1 of the '885 patent: (1) Sonos proposes that the instruction state the Court has "already found that *certain versions of Google's accused media players infringe* Claim 1 of the '885 patent," whereas Google proposes that the Court has "already found that *prior versions of the '885 Accused Products meet the limitations* of Claim 1 of the '885 patent'"; and (2) Sonos proposes that the instruction state the jury must consider damages "if you find that *Google failed to prove by clear and convincing evidence* that claim 1 of the '885 patent is not invalid," whereas Google proposes "if you also find *that Claim 1 of the '885 patent is not invalid*." Given that this case involves the unique circumstance wherein the Court has already found infringement of the '885 patent for the accused products, and the jury will be tasked with determining whether Google's redesigned products infringe, none of the model jury instructions are instructive on these points.

With respect to the first issue, Google's reference to "prior versions of the '885 Accused Products" is more accurate and easy to understand given that the jury will be deciding whether Google's *redesigned* products infringe the '885 patent. Google's proposal specifically makes clear that the instruction refers to the products that Sonos accused of infringing the '885 patent¹ without that redesign. Google's proposal also states that the Court found those products "meet the limitations" of Claim 1 of '885 patent, whereas Sonos's proposal characterizes the summary judgment order as having found that those products "infringe" that claim. Since Google cannot be liable for infringing a valid patent, and the jury will be tasked with determining whether the '885 patent is invalid, Google's proposal is both more accurate and less likely to prejudice the jury into thinking it is required to award damages due to the Court's prior ruling.

Google defines "'885 Accused Products" in its proposals for Instruction Nos. 2 and 6 (Summary of Contentions) ("I will refer to these as the <u>'885 Accused Products"</u>).

2 | 3 | 4 | 5 |

With respect to the second issue, Sonos's proposal is unnecessarily convoluted as "failed to prove" and "is not invalid" essentially requires the jury to decipher a double negative. And the clear and convincing standard for invalidity is already explained in numerous other instructions and need not be repeated in the instruction explaining the burden of proof for damages. *See* Stipulated Instruction No. 4 (Outline of Trial); Disputed Instruction No. 14 (Invalidity—Burden of Proof).

XVI. <u>DISPUTED INSTRUCTION NO. 23: REASONABLE ROYALTY—DEFINITION</u>

Three disputes remain regarding the parties' proposed instructions on the definition of reasonable royalty: (1) the types of reasonable royalty available, (2) the language describing apportionment, and (3) inclusion of an explanation about comparable licenses.²

A. Types of Reasonable Royalty

The parties offer competing language describing the types of reasonable royalty that the juries should consider. This section of Google's proposed instruction is taken directly from the N.D. Cal. Model Instruction and appropriately explains that the reasonable royalty can be calculated either in the form of a per-unit running royalty or a lump sum royalty—the only two types that the parties' experts proffer. *See* N.D. Cal. Model Instruction B.5.7 ("Include [this instruction] if both lump sum and running royalty damages theories are to be presented to the jury."). In contrast, Sonos's proposed instruction uses the instruction regarding "ongoing royalty" from the model instruction and replaces the word "ongoing" with "per-unit." But Sonos's proposal includes an explanation on how to perform the calculation by "multiply[ing] the revenue the defendant obtained from th[e] 'base'"—or the "product on which Google is to pay"—"by the 'rate' or percentage that you find would have resulted from the hypothetical negotiation." This instruction would be nonsensical to the jury when Sonos's damages expert's only theory involves neither a royalty base of any "revenue [Google] obtained from" the accused products, nor a "percentage" royalty rate. Instead, he uses the subscription fee of an allegedly comparable app to calculate a per-unit rate that he multiplies by the number of Google Home app installs or unit sales of Google's media players.

² The same dispute regarding the use of the term "alleged" invention also applies here. As discussed previously, Google disputes that there is any invention in the asserted claims such that "claimed invention" is likely to create confusion for the jury. *See supra* § X and XII.

before it").

B. Apportionment

Sonos's proposed instruction for the definition of reasonable royalty is based on the N.D. Cal. Model Instruction, yet Sonos inexplicably eliminates the following paragraph regarding apportionment:

Including language on how to perform an irrelevant calculation will again only serve to confuse the

jury. See Ericsson, 773 F.3d at 1231 (holding that "the district court erred by instructing the jury"

regarding damages on multiple factors that were "not relevant, or are misleading, on the record

In this case the '885 and '966 patents cover only one component of the product that Google uses or sells. It is Sonos's burden to demonstrate what value that component has added to the desirability of the product as a whole and to separate the value of the patented contribution from the value of other parts of the product that are not attributable to the alleged invention.

Sonos's damages expert concedes that the accused products contain other non-patented technology that should not be included in the royalty. Ex. 2 (2023 Mal. Dep.) at 182:16-25 ("Q. So you believe that consumers are buying, for example, the Nest Wi-Fi Point because of the accused grouping functionality? A. I believe that one of the reasons is the feature set that would include that, and that is, in part, why that feature set is promoted by Google. *I don't believe that it's sufficient basis for demand for lost profits or to invoke the entire market rule*, for example, and expand greatly the royalty base.") (emphasis added). The paragraph Sonos seeks to delete is consistent with the well-established rule that "the ultimate reasonable royalty award must be based on the incremental value that the patented invention adds to the end product." *Finjan, Inc. v. Blue Coat Sys., Inc.*, 879 F.3d 1299, 1311 (Fed. Cir. 2018). Excluding this language would lead to confusion and risk misapplication of the law by the jury. Sonos also should not be permitted to cherry pick the portions of the model instruction that it likes and exclude other relevant portions.

C. Comparable Agreements

The parties' competing instructions disagree on whether to include language regarding comparable agreements. Google's proposed instruction incorporates language directly from the Federal Circuit's model instruction (except for the inapplicable paragraph regarding "litigation-related" agreements), whereas Sonos's proposed instruction *removes* the language on comparable

1

15

16

17

18

25

26

27

28

licenses from the Northern District's model instruction. Google's instruction also strikes the word "license" from the phrase "comparable license agreements" to more accurately reflect the facts of this case and avoid jury confusion.

First, the jury will hear evidence about an agreement that Sonos does not dispute is technically comparable to the '885 and '966 patents from Google's damages expert, such that inclusion of additional language regarding comparable agreements is warranted. See Prism Techs. LLC v. Sprint Spectrum L.P., 849 F.3d 1360, 1370 (Fed. Cir. 2017) (that a "party may use the royalty rate from sufficiently comparable licenses" in calculating damages is a "long-accepted proposition"); Apple Inc. v. Wi-LAN Inc., 25 F.4th 960, 971 (Fed. Cir. 2022) ("In determining a reasonable royalty, parties frequently rely on comparable license agreements.") (internal citation and quotations omitted). As Google explained in its response to Sonos's Motion in Limine No. 1, Sonos's arguments regarding the comparable agreement that Google's damages expert relies on have no merit. Google's damages expert adequately analyzed the agreement from an economic perspective and made the appropriate adjustments for any differences between the agreement and the hypothetical license.

Second, the Federal Circuit's model instruction should be used because it contains additional detail and context that will be helpful to the jury. See, e.g., Federal Circuit Bar Association Model Instruction B.5.9 – Comparable Agreements ("Whether a license agreement is comparable to the license under the hypothetical license scenario depends on many factors, such as whether they involve comparable technologies, comparable economic circumstances, comparable structure, and comparable scope."). On the contrary, using the Northern District's model instruction would confuse the jury because it refers to the "royalty rate in one or more of th[e] licenses" when the comparable agreement is a purchase agreement containing a lump-sum payment. N.D. Cal. Model Patent Jury Instruction No. B.5.7, Aug. 2017 (updated Oct. 2019). The only change Google made is striking the word "license" where the instruction discusses "comparable license agreements" or "license agreements" in light of case law agreeing that patent acquisition agreements can serve as a comparable data point. See Parthenon Unified Memory Architecture LLC v. Apple Inc., No. 2:15-CV-621-JRG-RSP, 2016 WL 7670833, at *1 (E.D. Tex. Sept. 21, 2016) (rejecting argument that a

damages expert cannot consider a patent purchase agreement under the *Georgia-Pacific* framework and holding that it should be left "up to the jury to determine the evidentiary value of such agreements and [an expert's] reliance on the agreements at trial").

XVII. <u>DISPUTED INSTRUCTION NO. 24: DAMAGES—DOUBTS RESOLVED AGAINST INFRINGER</u>

Sonos's proposed instruction regarding "Doubts Resolved Against Infringer" is unnecessary and should not be included. Sonos bases its instruction on the American Intellectual Property Law Association Model Patent Instruction 10.3, which states, "Any doubts that you may have on the issue of damages due to [the Defendant]'s failure to keep proper records should be decided in favor of [the Plaintiff]. Any confusion or difficulties caused by [the Defendant]'s records also should be held against [the Defendant], not [the Plaintiff]." AIPLA Model Instruction 10.3. Sonos then adds to that AIPLA instruction the following self-serving statement: "In that circumstance, you are allowed to act on probable and inferential proof, as well as upon direct and positive proof."

First, the proposed instruction appears to apply in the context of a *lost profits* theory of infringement, which is inapplicable here as Sonos concedes it does not proffer such a damages theory. See Google's Opposition to Sonos's MIL No. 1 at 7; see Bigelow v. R.K.O. Pictures, Inc., 327 U.S. 251, 264–65 (1946) ("this Court has sustained recovery of the full amount of defendant's profits where his own wrongful action has made it impossible for the plaintiff to show in what proportions he and the defendant have contributed to the profits."); Lam, Inc. v. Johns-Manville Corp., 718 F.2d 1056, 1065 (Fed. Cir. 1983) (discussing inability to ascertain lost profits is due to the infringer's failure to keep accurate or complete records); Sensonics, Inc. v. Aerosonic Corp., 81 F.3d 1566, 1572–73 (Fed. Cir. 1996) (same); Minco, Inc. v. Combustion Eng'g, Inc., 95 F.3d 1109, 1118 (Fed. Cir. 1996) (same).

Second, Sonos's proposed instruction is inappropriate because Sonos has not previously contended, offered any evidence, or obtained any ruling from the Court that Google "failed to keep proper records" that it was under an obligation to maintain. See Sensonics, 81 F.3d at 1572 (finding that an adverse inference was warranted because defendant "fail[ed] to retain production records during the litigation period"); Lam, 718 F.2d at 1065 (resolving doubts against defendant "since it

failed to keep accurate records" and "advanced different numbers at different stages of this

litigation"). Unlike Sensonics and Lam, Google has provided detailed records regarding unit sales

of Google's media players and the number of installs for the Google Home app on both Android

and iOS devices. Indeed, Sonos's expert uses these records to calculate damages, and he has never

suggested that they are inaccurate or incomplete in any way. This instruction is a transparent attempt

to unfairly prejudice Google and circumvent Sonos's burden of proving damages that are not

"remote or speculative." N.D. Cal. Model Jury Instruction No. B.5.1. Sonos's reference to the fact

that Sonos damages expert may "need to explain . . . that he was unable to make certain calculations

as a result of Google's recordkeeping" demonstrates that Sonos improperly seeks to include this

instruction to compensate for its damages' experts' flawed and unreliable theories. Sonos' proposal

is particularly improper because its damages expert completely ignored most of the relevant records

produced by Google, such as the user metrics that show that on any given day less than one half of

one percent of users have set up even a single speaker group (let alone multiple, overlapping speaker

15

16

17

18

19

20

21

23

24

25

26

27

groups).

1

Third, this instruction is not found in either the Northern District's or the Federal Circuit Bar Association's model instructions on reasonable royalty damages, and Sonos does not provide any legitimate basis for its inclusion.

Fourth, Sonos's proposal deviates from the model instruction, yet Sonos does not provide any reason why an addition that "[the jury is] allowed to act on probable and inferential proof, as well as upon direct and positive proof' would be appropriate or necessary. As discussed previously, this language is taken from a case that relates to lost profits damages, not reasonable royalty damages. See Bigelow, 327 U.S. at 264–65 (1946). Moreover, the case involved a situation where "the defendant by his own wrong has prevented a more precise computation"—a situation that does not exist here. Id. at 264. Sonos has not identified any "wrong" committed by Google or any records that Google had been obligated to keep during this litigation but did not. Furthermore, Sonos injects concepts such as "probable and inferential proof" and "direct and positive proof" without any explanation, which will only serve to confuse the jury.

CERTIFICATE OF SERVICE Pursuant to the Federal Rules of Civil Procedure and Local Rule 5-1, I hereby certify that, on April 26, 2023, all counsel of record who have appeared in this case are being served with a copy of the foregoing via ECF and email. /s/ Sean Pak
Sean Pak